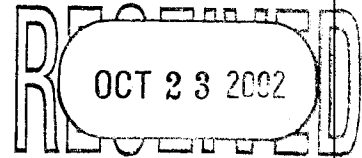


ARIZONA CORPORATION COMMISSION  
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL - MAKE CHANGES AS NECESSARY

W-02230A  
MUSTANG WATER COMPANY  
P.O. BOX 2903  
SIERRA VISTA AZ 85635-0000

ARIZONA CORPORATION  
COMMISSION



Director of Utilities

ANNUAL REPORT

FOR YEAR ENDING

12	31	2001
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FOR COMMISSION USE

ANN04	01
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Processed by:

10/23/02 om

SCANNED

23 OCT 2002

## COMPANY INFORMATION

Company Name (Business Name) <u>Munkang Water Co</u>		
Mailing Address <u>PO Box 2903</u>		
<u>Sierra Vista</u> (City)	<u>B</u> (State)	<u>85636-2903</u> (Zip)
<u>(670) 3783349</u> Telephone No. (Include Area Code)	<u>(520) 3786549</u> Fax No. (Include Area Code)	<u>(520) 9403513</u> Pager/Cell No. (Include Area Code)
Email Address <u>WOB@CZTX.COM</u>		
Local Office Mailing Address <u>SAA</u>		
<u></u> (City)	<u></u> (State)	<u></u> (Zip)
<u>SAA</u> Local Office Telephone No. (Include Area Code)	<u></u> Fax No. (Include Area Code)	<u></u> Pager/Cell No. (Include Area Code)
Email Address <u>SAA</u>		

## MANAGEMENT INFORMATION

Management Contact: <u>JOHNNY A MCLAIN</u>		
<u></u> (Street)	<u>SAA</u> (City)	<u></u> (State)
<u></u> (Zip)	<u></u> (Zip)	
<u></u> Telephone No. (Include Area Code)	<u></u> Fax No. (Include Area Code)	<u></u> Pager/Cell No. (Include Area Code)
Email Address <u></u>		
On Site Manager: <u>JOHNNY A MCLAIN</u>		
<u></u> (Street)	<u></u> (City)	<u></u> (State)
<u></u> (Zip)	<u></u> (Zip)	
<u></u> Telephone No. (Include Area Code)	<u></u> Fax No. (Include Area Code)	<u></u> Pager/Cell No. (Include Area Code)
Email Address <u></u>		

Statutory Agent: Munlong Water Co  
(Name)  
PO Box 2903 San Juan NM 85636  
(Street) (City) (State) (Zip)  
(520) 3783349 (520) 3786549 (520) 9403513  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Attorney: NA  
(Name)  
\_\_\_\_\_  
(Street) (City) (State) (Zip)  
\_\_\_\_\_  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

### OWNERSHIP INFORMATION

Check the following box that applies to your company:

- |   |   |
|---|---|
| <input checked="" type="checkbox"/> Sole Proprietor (S) | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P)                | <input type="checkbox"/> Subchapter S Corporation (Z)                     |
| <input type="checkbox"/> Bankruptcy (B)                 | <input type="checkbox"/> Association/Co op (A)                            |
| <input type="checkbox"/> Receivership (R)               | <input type="checkbox"/> Limited Liability Company                        |
| <input type="checkbox"/> Other (Describe) _____         |   |

### COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- |                                     |   |                                   |
|-------------------------------------|---|-----------------------------------|
| <input type="checkbox"/> APACHE     | <input checked="" type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA       | <input type="checkbox"/> GRAHAM             | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ     | <input type="checkbox"/> MARICOPA           | <input type="checkbox"/> MOHAVE   |
| <input type="checkbox"/> NAVAJO     | <input type="checkbox"/> PIMA               | <input type="checkbox"/> PINAL    |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI            | <input type="checkbox"/> YUMA     |
| <input type="checkbox"/> STATEWIDE  |   |                                   |

COMPANY NAME

*Muntingwater co*UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	4005	0	0
302	Franchises	2900	0	0
303	Land and Land Rights	5000	2600	2400
304	Structures and Improvements	10249	3058	7191
307	Wells and Springs	13703	8477	5226
311	Pumping Equipment	32080	15691	16389
320	Water Treatment Equipment	0	0	0
330	Distribution Reservoirs and Standpipes	7859	3004	4855
331	Transmission and Distribution Mains	35993	19644	16349
333	Services	4850	2186	2664
334	Meters and Meter Installations	5600	3059	2441
335	Hydrants	0	0	0
336	Backflow Prevention Devices	0	0	0
339	Other Plant and Misc. Equipment	1160	648	512
340	Office Furniture and Equipment	1124	666	458
341	Transportation Equipment	6385	3315	5071
343	Tools, Shop and Garage Equipment	1050	626	424
344	Laboratory Equipment	0	0	0
345	Power Operated Equipment	600	250	350
346	Communication Equipment	1416	523	893
347	Miscellaneous Equipment	325	225	100
348	Other Tangible Plant	0	0	0
	<b>TOTALS</b>	<b>132595</b>	<b>63972</b>	<b>65323</b>

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

*Mustang Water Co*CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2) 5%	Depreciation Expense (1x2)
301	Organization	400	<del>5</del>	<del>20</del>
302	Franchises	2900	<del>5</del>	<del>145</del>
303	Land and Land Rights	5000	<del>250</del>	<del>250</del>
304	Structures and Improvements	10749		513
307	Wells and Springs	13703		685
311	Pumping Equipment	32080		1604
320	Water Treatment Equipment	0	<del>5</del>	<del>0</del>
330	Distribution Reservoirs and Standpipes	7859		393
331	Transmission and Distribution Mains	38993		1800
333	Services	4850		243
334	Meters and Meter Installations	5500		275
335	Hydrants	0	<del>5</del>	<del>0</del>
336	Backflow Prevention Devices	0	<del>5</del>	<del>0</del>
339	Other Plant and Misc. Equipment	1160		58
340	Office Furniture and Equipment	1174		56
341	Transportation Equipment	8386		419
343	Tools, Shop and Garage Equipment	1050		53
344	Laboratory Equipment	0	<del>5</del>	<del>0</del>
345	Power Operated Equipment	600		30
346	Communication Equipment	1416		71
347	Miscellaneous Equipment	325		16
348	Other Tangible Plant	0	<del>5</del>	<del>0</del>
	TOTALS			6631

This amount goes on Comparative Statement of Income and Expense Acct. No. 403

COMPANY NAME

Mountain Water Co

BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>ASSETS</b>		
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 285	\$ 145
134	Working Funds	\$	\$
135	Temporary Cash Investments	\$	\$
141	Customer Accounts Receivable	186	1105
146	Notes/Receivables from Associated Companies	\$	\$
151	Plant Material and Supplies	\$	\$
162	Prepayments	\$	\$
174	Miscellaneous Current and Accrued Assets	\$	\$
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	\$ 571	\$ 1250
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 132595	\$ 132595
103	Property Held for Future Use	\$	\$
105	Construction Work in Progress	\$	\$
108	Accumulated Depreciation - Utility Plant	59366	63972
121	Non-Utility Property	\$	\$
122	Accumulated Depreciation - Non Utility	\$	\$
	<b>TOTAL FIXED ASSETS</b>	\$ 73229	\$ 65623
	<b>TOTAL ASSETS</b>	\$ 73800	\$ 69873

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME

*Mountain Water Co***BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITIES</b>		
231	Accounts Payable	\$ 3260	\$ 4670
232	Notes Payable (Current Portion)	0	0
234	Notes/Accounts Payable to Associated Companies	0	0
235	Customer Deposits	2445	3195
236	Accrued Taxes	NOT PAID 50500	EST 52500
237	Accrued Interest	6391	0
241	Miscellaneous Current and Accrued Liabilities	0	0
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 56205	\$ 60365
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$ 0	\$ 0
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$ 0	\$ 0
252	Advances in Aid of Construction	0	0
255	Accumulated Deferred Investment Tax Credits	0	0
271	Contributions in Aid of Construction	0	0
272	Less: Amortization of Contributions	0	0
281	Accumulated Deferred Income Tax	0	0
	<b>TOTAL DEFERRED CREDITS</b>	\$ 0	\$ 0
	<b>TOTAL LIABILITIES</b>	\$ 56205	\$ 60365
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$ 0	\$ 0
211	Paid in Capital in Excess of Par Value	0	0
215	Retained Earnings	0	0
218	Proprietary Capital (Sole Props and Partnerships)	(17595)	13435
	<b>TOTAL CAPITAL</b>	\$ (17595)	\$ 13435
	<b>TOTAL LIABILITIES AND CAPITAL</b>	\$ 73800	\$ 73800

COMPANY NAME

*Mounting Water Co*COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 20528	\$ 20820
460	Unmetered Water Revenue	0	0
474	Other Water Revenues	0	0
	<b>TOTAL REVENUES</b>	\$ 20528	\$ 20820
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$ 560	\$ 579
610	Purchased Water	0	0
615	Purchased Power	2779	2880
618	Chemicals	275	300
620	Repairs and Maintenance	1385	1075
621	Office Supplies and Expense	(See 360)	(See 360)
630	Outside Services	7500	7500
635	Water Testing	1500	1500
641	Rents	1714	1714
650	Transportation Expenses	1200	1200
657	Insurance - General Liability	3400	3400
659	Insurance - Health and Life	1500	1500
666	Regulatory Commission Expense - Rate Case	0	0
675	Miscellaneous Expense	0	0
403	Depreciation Expense	6631	6631
408	Taxes Other Than Income	0	0
408.11	Property Taxes	9300 <sup>EST</sup> NOT PAID	11700
409	Income Tax	0	0
	<b>TOTAL OPERATING EXPENSES</b>	\$ 37744	\$ 39979
	<b>OTHER INCOME/EXPENSE</b>		
419	Interest and Dividend Income	\$ 0	\$ 0
421	Non-Utility Income	0	0
426	Miscellaneous Non-Utility Expenses	0	0
427	Interest Expense	0	0
	<b>TOTAL OTHER INCOME/EXP</b>	\$ 0	\$ 0
	<b>NET INCOME/(LOSS)</b>	<b>( \$ 17216 )</b>	<b>( \$ 19159 )</b>



COMPANY NAME

*Maintenance Water Co*SUPPLEMENTAL FINANCIAL DATA

## Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate				
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ 2334

Meter Deposits Refunded During the Test Year

\$ 861

COMPANY NAME

*Munting Water Co*WATER COMPANY PLANT DESCRIPTIONWELLS

ADWR ID Number	Pump Horsepower	Pump Yield (Gpm)	Casing Size (inches)	Meter Size (inches)
	<i>25</i>	<i>300</i>	<i>8</i>	<i>3 1/2</i>
	<i>5</i>	<i>80</i>	<i>8</i>	<i>NA</i>
<i>NOT IN USE</i>	<i>3</i>	<i>50</i>	<i>6</i>	<i>2 1/2</i>

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
<i>CRYSTAL WATER</i>	<i>50</i>	<i>NA</i>

TOTAL GALLONS PUMPED (NOT SOLD) THIS YEAR (thous.) = \_\_\_\_\_

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
<i>NA</i>		<i>NA</i>	

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
		<i>7000</i>	<i>1</i>
<i>NA</i>			

## STATISTICAL INFORMATION

Total number of customers \_\_\_\_\_

55

Total number of gallons sold \_\_\_\_\_

4,794,580

gallons

COMPANY NAME

McIntire water co

YEAR ENDING 12/31/2001

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported

Estimated or Actual Federal Tax Liability

State Taxable Income Reported

Estimated or Actual State Tax Liability

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances

Amount of Gross-Up Tax Collected

Total Grossed-Up Contributions/Advances

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

SIGNATURE

DATE

PRINTED NAME

TITLE

COMPANY NAME MUSTANG WATER CO YEAR ENDING 12/31/2001

WATER AND SEWER  
UTILITIES ONLY

PROPERTY TAXES

Indicate the amount of actual property taxes paid during this reporting period (Calendar Year 2001)

\$ \_\_\_\_\_

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled Checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain reasons below:

INADEQUATE CASH FLOW

**VERIFICATION  
AND  
SWORN STATEMENT**  
Intrastate Revenues Only

VERIFICATION

STATE OF AZ

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>Cochise</u>
NAME (OWNER OR OFFICIAL) TITLE <u>Jeffrey A McLain</u>
COMPANY NAME <u>Mountain West @</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2001

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2001 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 22024

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 1204  
IN SALES TAXES BILLED, OR COLLECTED

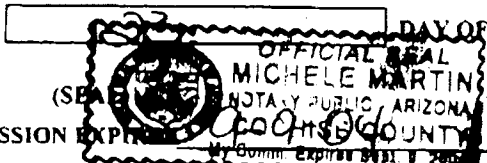
**\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

Jeffrey A McLain  
SIGNATURE OF OWNER OR OFFICIAL  
(520) 3783349  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS



MY COMMISSION EXPIRES

COUNTY NAME <u>Cochise</u>	
MONTH <u>October</u>	YEAR <u>2002</u>
<u>Michele Martin</u> SIGNATURE OF NOTARY PUBLIC	

**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE  
INTRASTATE REVENUES ONLY**

**VERIFICATION**

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME) <u>Peckham</u>	
NAME (OWNER OR OFFICIAL) <u>Anthony A McLean</u>	TITLE <u>owner</u>
COMPANY NAME <u>Munting Water Co</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2001

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2001 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES <u>\$ 220,74</u>
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(THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ 1204  
IN SALES TAXES BILLED, OR COLLECTED

\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.

X Anthony A McLean  
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

23

DAY OF

(SEAL)

MY COMMISSION EXPIRES



9-9-04

NOTARY PUBLIC NAME <u>Michele Martin</u>	
COUNTY NAME <u>Cochise</u>	
MONTH <u>October</u>	YEAR <u>2002</u>

X Michele Martin  
SIGNATURE OF NOTARY PUBLIC